

## **SICK LEAVE DONATION PROGRAM**

The purpose of the Sick Leave Donation Program is to permit an employee to donate sick leave to another employee. This program permits such a donation to occur when an employee has a need for additional paid leave because they have exhausted all paid leave and have a serious medical hardship or catastrophic illness or injury. The employee's need may arise from his or her own serious medical hardship or catastrophic illness or event, has experienced the loss of an immediate family member, or has a need to care for a family member (including a spouse, child, or parent), who has a serious medical hardship or catastrophic illness. This program is not intended to cover an employee who has a common illness, has an illness or injury covered by worker's compensation, or has incurred injury during the course of committing a felony or other unlawful act. Similarly, this program is not intended to provide leave to any employee who has previously abused any paid leave.

### **Recipient Eligibility:**

To be eligible to receive donated sick leave, an employee must:

- Provide documentation for non-work related, seriously incapacitating illness or injury as certified by a health care provider for self or member of the immediate family OR, has suffered the loss of a spouse or child OR, has suffered a catastrophic event;
- Exhaust or about to exhaust all paid time off.
- Not have offered anything of value in exchange for the leave donation.

Employees are ineligible to use this program during any disciplinary suspensions or if they are receiving, or have applied to receive, workers' compensation benefits.

### **Donor Guidelines:**

- The donation of sick leave is strictly voluntary.
- Banked sick leave cannot be used for a donation.
- Donor must retain a minimum of 40 hours of sick leave for personal use, or 48 hours for Mauston Police Department employees.
- The maximum donation is 80 hours in a calendar year.
- The Recipient may return unused donations by the end of the calendar year, if not needed. The Donor may not revoke the transaction, even if it has not yet been paid.
- Employees cannot borrow against future sick leave.
- Employees who are currently on an approved leave of absence cannot donate sick leave.
- NOTE: these payments are to be considered wages, and therefore taxable income to the recipient. The IRS has also ruled that the donating employee realizes no income and incurs no tax-deductible expense or loss, either upon donation or payment to the recipient.

### **Administrative Responsibilities:**

- Prior to the first donation(s) to an employee, the City Administrator will verify the eligibility of the named recipient (i.e. employee status).
- Sick leave will be donated using the "Sick Leave Donation Form." Donated sick leave will be transferred from the donor's sick leave account to the recipient's sick leave account. The donation of sick leave is on an hourly basis, without regard to the dollar value of the donated or used leave.

